

119TH CONGRESS
1ST SESSION

S. _____

To amend title 49, United States Code, to include affordable housing incentives in certain capital investment grants, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. SCHATZ (for himself and Mr. BANKS) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend title 49, United States Code, to include affordable housing incentives in certain capital investment grants, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Build More Housing
5 Near Transit Act of 2025”.

6 **SEC. 2. AFFORDABLE HOUSING INCENTIVES IN CAPITAL IN-**
7 **VESTMENT GRANTS.**

8 Section 5309 of title 49, United States Code, is
9 amended—

10 (1) in subsection (a)—

1 (A) by redesignating paragraph (6) as
2 paragraph (7); and

3 (B) by inserting after paragraph (5) the
4 following:

5 “(6) PRO-HOUSING POLICY.—The term ‘pro-
6 housing policy’—

7 “(A) means any State or local action that
8 will remove regulatory barriers to the construc-
9 tion or preservation of housing units, including
10 affordable housing units; and

11 “(B) shall include any State or local action
12 that—

13 “(i) reduces or eliminates parking
14 minimums;

15 “(ii) establishes a by-right approval
16 process for multi-family housing under
17 which land use development approval is
18 limited to determining that the develop-
19 ment meets objective zoning and design
20 standards that—

21 “(I) involve no subjective judg-
22 ment by a public official;

23 “(II) are uniformly verifiable by
24 reference to an external and uniform
25 benchmark or criterion available to

1 both the land use developer and the
2 public official prior to submission; and

3 “(III) include only such stand-
4 ards as are published and adopted by
5 ordinance or resolution by a jurisdic-
6 tion before submission of a develop-
7 ment application;

8 “(iii) reduces or eliminates minimum
9 lot sizes;

10 “(iv) commits substantial publicly-held
11 real property to the development or preser-
12 vation of housing that includes a substan-
13 tial number of dwelling units affordable to
14 low-income households; or

15 “(v) eliminates or raises residential
16 property height limits or increases the
17 number of dwelling units permitted to be
18 constructed under a by-right approval
19 process; and

20 “(vi) carries out other policies as de-
21 termined by the Secretary, in consultation
22 with the Secretary of Housing and Urban
23 Development.”;

24 (2) in subsection (g)(2), by adding at the end
25 the following:

1 “(D) ELIGIBILITY FOR ADJUSTMENT OF
2 RATING FOR PROJECT JUSTIFICATION CRITERIA
3 FOR PRO-HOUSING POLICIES.—In evaluating
4 and rating a project as a whole for project jus-
5 tification under subparagraph (A), the Sec-
6 retary may increase 1 point on the 5-point scale
7 (high, medium-high, medium, medium-low, or
8 low) the rating of a project if the applicant sub-
9 mits documented evidence of pro-housing poli-
10 cies for areas located within walking distance
11 of, and accessible to, transit facilities along the
12 project route.

13 “(E) CONSULTATION.—In awarding the in-
14 creased rating described in subparagraph (D),
15 the Secretary shall consult with the Secretary
16 of Housing and Urban Development to develop
17 the methodology to evaluate, as feasible, the ex-
18 tent to which the pro-housing policies docu-
19 mented by the applicant will result, through
20 new production and preservation, in an amount
21 of housing units, including housing units af-
22 fordable below the area median income, that is
23 appropriate to expected housing demand in the
24 project area over the life of the project.”; and
25 (3) in subsection (o)—

1 (A) in paragraph (1)—

2 (i) in subparagraph (B), by striking
3 “and” at the end;

4 (ii) in subparagraph (C), by striking
5 the period at the end and inserting “;
6 and”; and

7 (iii) by adding at the end the fol-
8 lowing:

9 “(D) information concerning projects for
10 which the applicant submitted pro-housing poli-
11 cies under subsection (g)(2)(D) and received an
12 adjustment of rating for project justification,
13 including the pro-housing policies submitted
14 and the amount of housing units expected
15 through new production and preservation, in-
16 cluding affordable housing, as a result of the
17 expected results of the policies, as measured
18 under subsection (g)(2)(E).”.